

General Assembly

Raised Bill No. 1145

January Session, 2023

LCO No. 4605



Referred to Committee on ENVIRONMENT

Introduced by: (ENV)

AN ACT CONCERNING THE ESTABLISHMENT OF SECTOR SPECIFIC SUBTARGETS FOR GREENHOUSE GAS EMISSIONS REDUCTIONS AND REGULATING EMISSIONS OF SMALL-OFF ROAD ENGINES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subdvisions (1) and (2) of subsection (a) of section 22a-6b
- 2 of the general statutes is repealed and the following is substituted in lieu
- 3 thereof (*Effective October 1, 2023*):
- 4 (a) The Commissioner of Energy and Environmental Protection shall
- 5 adopt regulations, in accordance with the provisions of chapter 54, to
- 6 establish a schedule setting forth the amounts, or the ranges of amounts,
- 7 or a method for calculating the amount of the civil penalties which may
- 8 become due under this section. Such schedule or method may be
- 9 amended from time to time in the same manner as for adoption
- 10 provided any such regulations which become effective after July 1, 1993,
- shall only apply to violations which occur after said date. The civil
- 12 penalties established for each violation shall be of such amount as to
- 13 insure immediate and continued compliance with applicable laws,
- 14 regulations, orders and permits. Such civil penalties shall not exceed the

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following amounts:

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- 16 (1) For failure to file any registration, other than a registration for a 17 general permit, for failure to file any plan, report or record, or any 18 application for a permit, for failure to obtain any certification, for failure 19 to display any registration, permit or order, or file any other information 20 required pursuant to any provision of section 14-100b or 14-164c, 21 subdivision (3) of subsection (b) of section 15-121, section 15-171, 15-172, 22 15-175, 22a-5, 22a-6, 22a-7, 22a-32, 22a-39 or 22a-42a, 22a-45a, chapter 23 441, sections 22a-134 to 22a-134d, inclusive, subsection (b) of section 22a-24 134p, sections 22a-148 to 22a-162a, inclusive, section 22a-171, 22a-174, 25 22a-175, 22a-177, 22a-178, 22a-181, 22a-183, 22a-184, 22a-208, 22a-208a, 26 22a-209, 22a-213, 22a-200a, as amended by this act, 22a-220, 22a-231, 22a-27 245a, 22a-336, 22a-342, 22a-345, 22a-346, 22a-347, 22a-349a, 22a-354p, 28 22a-358, 22a-359, 22a-361, 22a-362, 22a-368, 22a-401 to 22a-405, inclusive, 29 22a-411, 22a-411a, 22a-416, 22a-417, 22a-424 to 22a-433, inclusive, 22a-30 447, 22a-449, 22a-450, 22a-451, 22a-454, 22a-458, 22a-461, 22a-462 or 22a-31 471, or any regulation, order or permit adopted or issued thereunder by 32 the commissioner, and for other violations of similar character as set 33 forth in such schedule or schedules, no more than one thousand dollars 34 for said violation and in addition no more than one hundred dollars for 35 each day during which such violation continues;
- 36 (2) For deposit, placement, removal, disposal, discharge or emission 37 of any material or substance or electromagnetic radiation or the causing 38 of, engaging in or maintaining of any condition or activity in violation 39 of any provision of section 14-100b or 14-164c, subdivision (3) of 40 subsection (b) of section 15-121, section 15-171, 15-172, 15-175, 22a-5, 41 22a-6, 22a-7, 22a-32, 22a-39 or 22a-42a, 22a-45a, chapter 441, sections 22a-42 134 to 22a-134d, inclusive, section 22a-69 or 22a-74, subsection (b) of 43 section 22a-134p, sections 22a-148 to 22a-162a, inclusive, section 22a-162, 44 22a-171, 22a-174, 22a-175, 22a-177, 22a-178, 22a-181, 22a-183, 22a-184, 45 22a-190, 22a-200a, as amended by this act, 22a-208, 22a-208a, 22a-209, 46 22a-213, 22a-220, 22a-336, 22a-342, 22a-345, 22a-346, 22a-347, 22a-349a, 47 22a-354p, 22a-358, 22a-359, 22a-361, 22a-362, 22a-368, 22a-401 to 22a-405, inclusive, 22a-411, 22a-411a, 22a-416, 22a-417, 22a-424 to 22a-433, 48

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- 49 inclusive, 22a-447, 22a-449, 22a-450, 22a-451, 22a-454, 22a-458, 22a-461,
- 50 22a-462 or 22a-471, or any regulation, order or permit adopted
- 51 thereunder by the commissioner, and for other violations of similar
- 52 character as set forth in such schedule or schedules, no more than
- 53 twenty-five thousand dollars for said violation for each day during
- 54 which such violation continues;
- Sec. 2. Section 22a-200 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
- As used in sections 22a-200, as amended by this act, to [22a-200b,
- 58 inclusive,] 22a-200d and 4a-67h:
- 59 (1) "Direct emissions" means greenhouse gas emissions from sources
- 60 that are owned or operated, in whole or in part, by an entity or facility,
- 61 including, but not limited to, emissions from: [factory stacks,
- 62 manufacturing processes and vents, and company owned or leased
- 63 motor vehicles] (A) sources combusting heating or transportation fuels,
- 64 (B) any building stack, vent or structure, (C) any distribution system, or
- (D) any residential, commercial, institutional, industrial or agricultural
- 66 waste management or manufacturing process;
- 67 (2) "Entity" means a person, as defined in section 22a-2, that owns or operates, in whole or in part, a source of greenhouse gas emissions from
- 69 a generator of electricity or a commercial or industrial site, which source
- 70 may include, but not be limited to, a transportation fleet;
- 71 (3) "Facility" means a building, structure or installation located on any
- one or more contiguous or adjacent properties of an entity;
- 73 (4) "Greenhouse gas" means any chemical or physical substance that
- 74 is emitted into the air and that the Commissioner of Energy and
- 75 Environmental Protection may reasonably anticipate will cause or
- 76 contribute to climate change, including, but not limited to, carbon
- 77 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons
- 78 and sulfur hexafluoride;

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- 79 (5) "Indirect emissions" means greenhouse gas emissions associated 80 with the consumption of purchased electricity, steam and heating or 81 cooling by an entity or facility <u>and the sale or distribution of</u> 82 transportation fuels or heating fuels;
- 6) "Negative emissions" means greenhouse gases that are removed from the atmosphere through nature-based solutions such as soils, forests, wetlands or working or natural lands and through negative emissions technologies; and
- 87 (7) "Negative emissions technology" means any technology 88 determined by the Commissioner of Energy and Environmental 89 Protection to remove greenhouse gases from the atmosphere.
- 90 Sec. 3. Section 22a-200a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
- 92 (a) The state shall reduce the level of emissions of greenhouse gas:
- 93 (1) Not later than January 1, 2020, to a level at least ten per cent below 94 the level emitted in 1990;
- 95 (2) Not later than January 1, 2030, to a level at least forty-five per cent 96 below the level emitted in 2001;
- 97 (3) Not later than January 1, 2040, to a level of zero per cent from electricity supplied to electric customers in the state;
- 99 (4) Not later than January 1, 2050, to [a] <u>an economy-wide net zero</u> 100 level <u>provided emissions of greenhouse gases are</u> at least eighty per cent 101 below the level emitted in 2001; and
- 102 (5) [All of the levels referenced in this subsection shall be determined
 103 by the Commissioner of Energy and Environmental Protection] Not
 104 later than January 1, 2025, the Commissioner of Energy and
 105 Environmental Protection shall, in a report prepared and posted on the
 106 Department of Energy and Environmental Protection's Internet web
 107 site, establish sector-specific subtargets for commercial and industrial

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heating and cooling, residential heating and cooling, industrial processes, natural gas distribution and service, natural and working lands and any other sector or source the commissioner may designate as necessary to meet the levels in subdivisions (1) to (4), inclusive, of this subsection, provided the subtarget for electricity supply shall be the level specified in subdivision (3) of this subsection. Sector-based statewide greenhouse gas emission subtargets for a given year shall not, in the aggregate, exceed the state-wide greenhouse gas emissions level for the year. Subtargets shall be expressed in tons of carbon dioxide equivalents and shall be determined to be necessary by the commissioner for meeting each state-wide greenhouse gas emissions level established in this subsection. In a report issued pursuant to subsection (c) of this section or subsection (a) of section 22a-200b, as amended by this act, and released on or before December 31, 2040, the commissioner shall review and, as necessary, update sector subtargets established pursuant to this section. The commissioner may update subtargets more frequently if, at any time, the commissioner determines that current subtargets will not result in meeting each state-wide greenhouse gas emissions level established in this subsection.

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(b) On or before January 1, 2010, and biannually thereafter, the state agencies that are members of the Governor's Steering Committee on Climate Change shall submit a report to the Secretary of the Office of Policy and Management and the Commissioner of Energy and Environmental Protection. The report shall identify existing and proposed activities and improvements to the facilities of such agencies that are designed to meet state agency energy savings goals established by the Governor. The report shall also identify policies and regulations that could be adopted in the near future by such agencies to reduce greenhouse gas emissions in accordance with subsection (a) of this section.

(c) Not later than January 1, 2012, and every three years thereafter, the Commissioner of Energy and Environmental Protection shall, in consultation with the Secretary of the Office of Policy and Management and the Governor's Steering Committee on Climate Change, report, in

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accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and transportation on the quantifiable emissions reductions achieved pursuant to subsection (a) of this section. The report shall include a schedule of proposed regulations, policies and strategies designed to achieve the limits of greenhouse gas emissions imposed by said subsection, an assessment of the latest scientific information and relevant data regarding global climate change and the status of greenhouse gas emission reduction efforts, including polices and regulations to increase negative emissions in other states and countries.

- (d) At least one year prior to the effective date of any federally mandated greenhouse cap and trade program including greenhouse gas emissions subject to any state cap and trade requirements adopted pursuant to this section, the Commissioner of Energy and Environmental Protection and the Secretary of the Office of Policy and Management shall report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to the environment, energy and technology and transportation. Such report shall explain the differences between such federal and state requirements and shall identify any further regulatory or legislative actions needed to achieve consistency with such federal program.
- (e) The Commissioner of Energy and Environmental Protection may adopt regulations, in accordance with the provisions of chapter 54, to reduce indirect and direct emissions in order to achieve the greenhouse gas emission levels specified in subdivisions (1) to (4), inclusive, of subsection (a) of this section. Such regulations may include, but shall not be limited to, implementation of the policies, strategies, and any other actions identified in any report prepared pursuant to subsection (c) of this section, market-based compliance mechanisms developed independently or with interested states and Canadian provinces, or the recommended regulatory actions identified pursuant to subsection (a) of section 22a-200b of the general statutes, as amended by this act. Such

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regulations shall, to the extent practicable, distribute environmental
benefits equitably and in a manner that protects communities that are
or have been overburdened by air pollution. Such regulations may
prioritize emission reduction or abatement strategies over emission
offset or removal strategies whenever any such reduction or abatement
strategy is technically feasible, cost-effective for the state and is likely to
be more durable than offset or removal strategies.

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Sec. 4. Section 22a-200b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) The Commissioner of Energy and Environmental Protection shall, with the advice and assistance of a nonprofit association organized to provide scientific, technical, analytical and policy support to the air quality and climate programs of northeastern states: (1) Not later than December 1, 2009, publish an inventory of greenhouse gas emissions to establish a baseline for such emissions for the state and publish a summary of greenhouse gas emission reduction strategies on the Department of Energy and Environmental Protection's Internet web site, (2) not later than July 1, 2010, publish results of various modeling scenarios concerning greenhouse gas emissions, including, but not limited to, an evaluation of the potential economic and environmental benefits and opportunities for economic growth based on such scenarios, (3) not later than July 1, 2011, analyze greenhouse gas emission reduction strategies and, after an opportunity for public comment, make recommendations on which such strategies will achieve the greenhouse gas emission levels specified in section 22a-200a, as amended by this act, [and] (4) not later than [July 1, 2012] December 31, 2023, and every three years thereafter, develop, with an opportunity for public comment, a schedule of recommended regulatory actions by relevant agencies, policies and other actions necessary to [show reasonable further progress towards achieving] achieve the greenhouse gas emission levels specified in section 22a-200a, as amended by this act, and to increase negative emissions, and (5) not later than July 1, 2025, adopt modeling scenarios to publish a baseline inventory of natural and working lands carbon fluxes and include a state-wide inventory of

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negative emissions in the report prepared pursuant to subsection (c) of section 22a-200a, as amended by this act, and the recommended schedule of regulatory actions in subdivision (4) of this subsection.

- (b) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to implement the provisions of this section. Nothing in section 4a-67h, 22a-200, as amended by this act, or 22a-200a, as amended by this act, or this section shall limit a state agency from adopting any regulation within its authority in accordance with the provisions of chapter 54.
- Sec. 5. Section 22a-186a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

- (a) No permit under section 22a-174 or 22a-183, except a permit for the burning of brush under subsection (f) of said section 22a-174, shall be granted, renewed or modified unless the commissioner considers air pollution emitted from all sources on the land where the activity requiring the permit is located and [he] determines that each source conforms to regulations adopted under section 22a-174 and does not pose a health hazard.
- (b) For the purposes of granting or modifying a permit for fossil-fueled electricity-generating units, the commissioner shall require an evaluation of the replacement of some or all of the fossil-fueled electricity-generating capacity with nonemitting energy or energy storage. Such evaluation shall be prepared by an independent contractor at the applicant's expense and shall include: (1) The technical feasibility of replacing or supplementing some or all of the fossil-fueled electricity-generating capacity with renewable energy or energy storage of a type that is in commercial use; and (2) the total project cost of replacing or supplementing some or all of the fossil-fueled electricity-generating capacity with renewable energy and energy storage that is technically feasible. If the commissioner determines that replacement of some or all of such fossil-fueled generators is technically and economically feasible, the commissioner may require the applicant to include such

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nonemitting energy or energy storage as a condition of granting or modifying any permit pursuant to section 22a-174 or 22a-183.

Sec. 6. (NEW) (Effective October 1, 2023) On or before January 15, 2024, and annually thereafter, each municipal utility, as defined in section 12-265 of the general statutes, shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment and to the Department of Energy and Environmental Protection on the quantifiable progress of such utility's greenhouse gas emissions reduction. Such report shall be in a manner prescribed by the department and enable a determination of such municipal utility's contribution toward the state's greenhouse gas emissions reduction levels established in section 22a-200a of the general statutes, as amended by this act.

Sec. 7. Subparagraph (B) of subdivision (1) of subsection (d) of section 16-245n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(B) The Connecticut Green Bank shall (i) develop separate programs to finance and otherwise support clean energy and environmental infrastructure investment in residential, municipal, small business and larger commercial projects and such others as the Connecticut Green Bank may determine; (ii) support financing or other expenditures that promote investment in clean energy sources and environmental infrastructure in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of clean energy sources, environmental infrastructure and related enterprises; and (iii) stimulate demand for clean energy and the deployment of clean energy sources within the state that serve end use customers in the state. In exercising the authority of this subparagraph, the Connecticut Green Bank shall do so in a manner that is consistent with the state's greenhouse gas emissions reduction levels established in section 22a-200a, as amended by this act.

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Sec. 8. (NEW) (Effective October 1, 2023) (a) Not later than December 31, 2033, the Commissioner of Energy and Environmental Protection shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the emission standards for small off-road engines of the state of California and shall amend such regulations from time to time, in accordance with changes in said standards. Such regulations shall be applicable to small off-road engines with a model year 2034 and later. Such regulations may incorporate by reference the California small off-road engine emission standards set forth in final regulations issued by the California Air Resources Board as may be amended from time to time. For the purposes of this section, "small off-road engines" includes, but is not limited to, lawn mowers, lawn tractors, string trimmers, leaf blowers, all other lawn and garden equipment and portable generators and pressure washers.

(b) For the fiscal years commencing July 1, 2023, and ending June 30, 2033, each retailer that engages in the sale of any small off-road engine shall provide any person who purchases a battery-powered or electric small off-road engine with a rebate of not more than twenty per cent of the purchase price of such battery-powered or electric small off-road engine, provided such rebate shall not exceed one hundred dollars for any single battery-powered or electric small off-road engine. Any such retailer may seek reimbursement of any such rebate from the Department of Revenue Services' administration of the zero emissions small off-road engine account established pursuant to section 9 of this act.

Sec. 9. (NEW) (*Effective from passage*) There is established an account to be known as the zero emissions small off-road engine account which shall be a separate, nonlapsing account within the General Fund. Moneys in such account shall be used by the Department of Revenue Services to reimburse retailers for rebates provided by such retailers pursuant to section 8 of this act. Such account shall contain all moneys required by law to be deposited in such account. Such account may receive funds from private or public sources, including, but not limited to, any municipal government or the federal government.

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Sec. 10. (*Effective July 1, 2023*) The sum of ten million dollars is appropriated to the Department of Revenue Services from the General Fund, for the fiscal year ending June 30, 2024, for the purpose of funding the zero emissions small off-road engine account established pursuant to section 9 of this act.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	October 1, 2023	New section
Sec. 2	October 1, 2023	22a-200
Sec. 3	October 1, 2023	22a-200a
Sec. 4	October 1, 2023	22a-200b
Sec. 5	October 1, 2023	22a-186a
Sec. 6	October 1, 2023	New section
Sec. 7	from passage	16-245n(d)(1)(B)
Sec. 8	October 1, 2023	New section
Sec. 9	from passage	New section
Sec. 10	July 1, 2023	New section

Statement of Purpose:

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To enforce the state's greenhouse gas emissions goals through the establishment of certain sector subtargets and authorize emission standards for certain small off-road engines.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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